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The AI split: Half of firms embrace the tech, while half hesitate
By Rob Burgess
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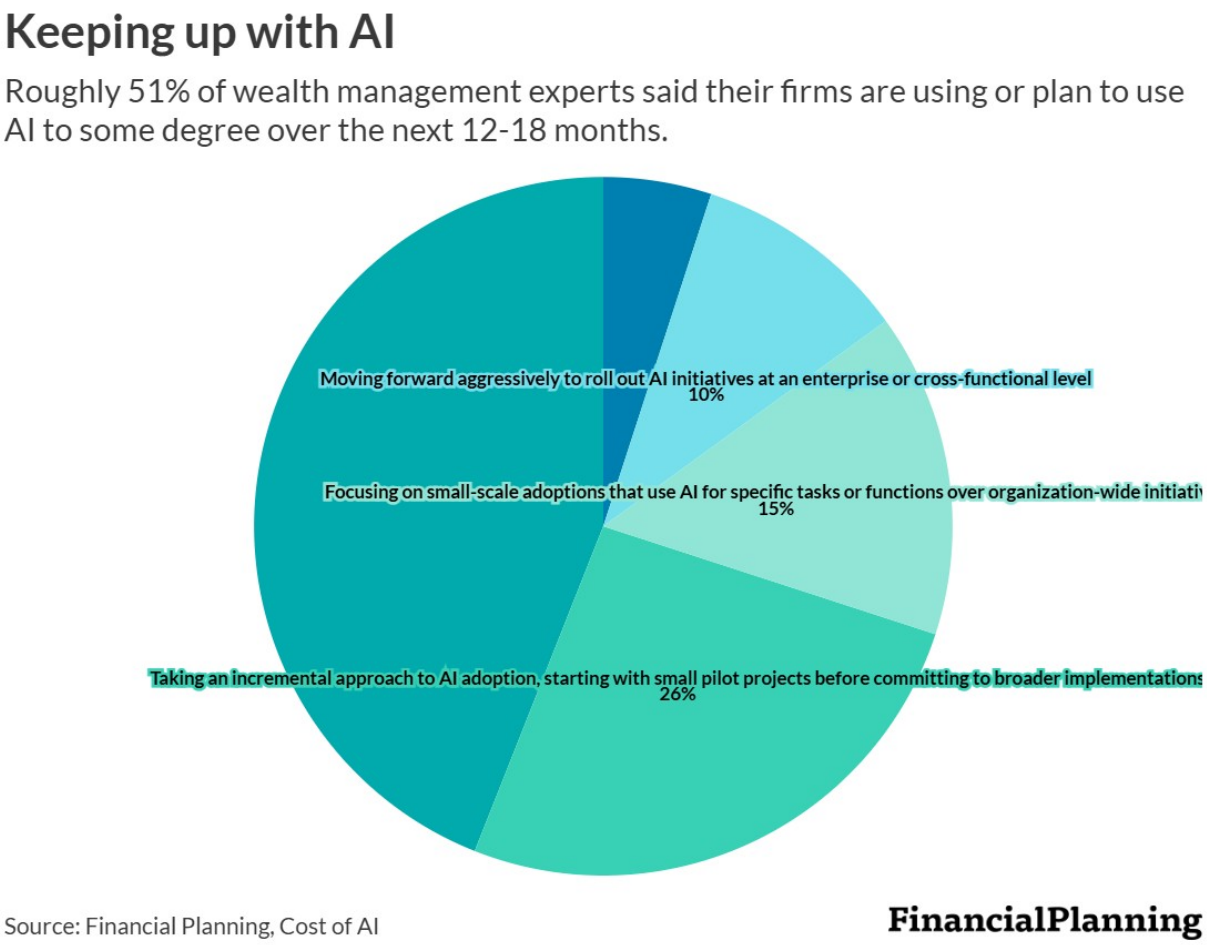
New research reveals a nearly even divide in the wealth management world's approach to AI adoption: Roughly half are moving forward, while the other half is holding back.

That was among the findings in the inaugural "Cost of AI" research report by Arizent, Financial Planning's parent company. Conducted from January to March this year, 239 of the study's 694 respondents were in the wealth management industry.

Just over half of those respondents (51%) said their firms were proceeding with some degree of AI implementation: "We are taking an incremental approach to AI adoption, starting with small pilot projects before committing to broader implementations" (26%); "We are focusing on small-scale implementations that use AI for specific tasks or functions rather than rolling out initiatives across the broader organization" (15%); and "We are moving forward aggressively to roll out AI initiatives at an enterprise or cross-functional level" (10%).

The other half of survey respondents were more cautious about integrating AI into their practices, with 5% reporting, "We have no plans to use AI," and 44% saying, "We are still learning and collecting information about AI; we have not yet started pilot testing or adopting."



Advisors across the spectrum of AI adoption said that while the emerging technology presents potential efficiency, communications and time gains, worries over ethics, security and efficacy may halt implementation. Financial Planning spoke with advisors at firms with various approaches to the technology.

Making progress at a steady, sometimes slow, pace

At Access Wealth Strategies in Artesia, New Mexico, owner Nathan Sebesta said his firm is taking a gradual approach to incorporating AI, starting with smaller pilot projects focused on improving back-office efficiency and client communication.

"We recognize AI's potential to streamline operations, but we're also cautious due to concerns around data privacy, regulatory compliance and ethical use," he said.

"It's crucial to proceed thoughtfully," agreed Marcos A. Segrera, wealth manager and principal in Evensky & Katz/Foldes Wealth Management in Coral Gables, Florida. While he believes AI holds immense potential to enhance advisor productivity and client outcomes, he said taking a slower approach allows his firm to validate the technology, manage risk and allow time for advisors to be on

the same page.

"We need to see clear, measurable results from these pilot projects before committing significant resources," he said. "Starting small helps us identify and mitigate any potential issues before they impact the entire firm. Gradual adoption gives our advisors time to become comfortable with AI and understand how it can support, rather than replace, their work."

Segrera said his firm is also piloting AI in a few specific areas, including portfolio analysis and meeting note-taking, to free up advisors' time.

For the time being Bruce Lee, founder and CEO of Keebeck Wealth Management in Chicago, said he remains in the incremental-adoption camp. His firm is now "testing small pilots with purpose."

"We're not buying the hype or the fear," he said. "We're focused on utility. Can this tech help our clients make better decisions? Can it make us sharper, faster, more precise? We're running small AI experiments around operational efficiency and client engagement — back-end automation, content personalization. No flashy rollout, just real-world application."

Pumping the brakes on AI in some uses

Wealth management firms' cautious approaches to AI can be traced back to a variety of concerns.

"While we are piloting some projects, we are also heavily invested in the learning and information collection phase," Segrera said. "We're constantly evaluating new AI tools and research to determine the best fit for our firm and our clients."

Even while his firm has implemented AI in parts of the business, Noah Damsky, principal at Marina Wealth Advisors in Los Angeles, said a cautious approach made sense to him.

"I'm comfortable implementing AI in some ways, but not all," he said.

While AI within Google Workspace can be an example of an AI tool with high data security measures, Damsky said he would not put personally identifiable information (PII) into ChatGPT because it might not remain confidential.

"When we look to use AI, we have to be diligent with each piece of technology and its data security," he said. "The space is constantly evolving, so regular diligence and staying on top of changes is critical. I can understand how firms get stuck in the vortex of always learning and far from implementing."

Lee said it's wise to be judicious about AI — at least to a certain extent.

"Some are skeptical," he said. "Some are overwhelmed. But if you're just 'collecting information' in 2025, you're already behind. You don't need a five-year

roadmap. You need a five-week test that teaches you something. That's how we're approaching it. Learn, adapt, evolve. That's how you build an edge."

As for roadblocks, compliance and evidence of real productivity gains are top of mind, said Segrera.

"We're focused on ensuring that AI implementation translates into tangible productivity improvements for our advisors," he said. "We want to avoid investing time and resources in solutions that don't empower our advisors or lead to measurable results."

While AI hasn't saved his firm money yet, Gregory Furer, the founder and CEO of Pittsburgh-based Beratung Advisors, said they've reinvested the extra time into doing more for clients, including rolling out tax and estate planning more broadly and improving plan depth.

"So, ironically, AI has cost us money — but it's making us better," he said.

Cost and ethics are always important and part of his firm's decision-making, Furer said, but so far they haven't presented barriers to adoption.

"The bigger challenge is integration — training the tools to work the way we work," he said.

For many firms, the sticking point is not cost but clarity, said Lee.

"People don't know what problem they're solving," he said. "AI isn't magic. It's math. If you don't have a clear use case, you'll chase tools instead of outcomes. Ethics matters too, especially in wealth. If clients don't trust how you use their data, you're dead in the water. So yeah, we vet every AI tool like we vet an investment — does it align with our values, our clients' interests, and our long-term strategy?"

Full-speed ahead on AI at some firms

While some firms are taking a more reserved approach, others are jumping into the AI waters with both feet. For example, Alvin Carlos, financial planner and managing partner at District Capital Management in Washington, D.C., said his firm has been using AI broadly already (an AI note-taker for prospect and client meetings; custom GPTs to help write content) and plans to ramp it up further.

"Firms that adopt AI sooner rather than later can potentially realize efficiencies across their operations," he said.

As far as the firms going all-in with enterprise-level AI right now, Lee called this a "bold move."

"But too many are doing it for headlines, not outcomes," he said. "This space moves fast, and if you roll out wide before you understand the nuance, you'll

burn cash and erode trust. We're playing a long game."